GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

STARRED QUESTION NO:246
ANSWERED ON:15.03.2007
GROWTH RATE OF FOOD PROCESSING INDUSTRY
Ramadass Prof. M

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the growth rate of Food Processing Industry during each of the last three years;

(b) whether despite rapid growth, the Food Processing Industry is facing various problems;

(c) if so, the steps taken by the Government to overcome these problems;

(d) whether the Government is going to set standards for food and beverages by the end of this year; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF THE LOK SABHA STARRED QUESTION NO.246 FOR 15.03.2007 REGARDING GROWTH RATE OF FOOD PROCESSING INDUSTRY

(a): According to the Central Statistical Organisation data, growth rate of Food Processing Industry during the years 2003-04 to 2005-06 has been as follows:

Year	Food Processing Industries (Production value Rs. In crores)
2003-04	46387
2004-05	47244
2005-06	49164

(b) & (c): According to a recent study conducted by this Ministry, major constraints being faced by food processing sector are inadequate infrastructure facilities, lack of adequate quality control & testing infrastructure, inefficient supply chain, shortage of processable varieties of farm produce, seasonality of raw material, high inventory carrying cost, lack of easy and concessional credit/lending by banks, high taxation, high packaging cost, lack of affordability, cultural preference of fresh foods etc. The Ministry of Food Processing Industries has been taking various measures to address these concerns on a continuous basis. It includes a revamped Scheme for infrastructure development during the 11th Plan, strengthening of supply chain and other infrastructure facilities, strengthening/setting up quality testing labs in the country, fiscal and tax incentives, extending priority sector bank lending to food processing sector and other measures.

(d) & (e) : Standards for food and beverages are currently being prescribed under the Prevention of Food Adulteration Act. The Food Safety & Standards Act, 2006 has been enacted in August 2006. The Food Authority under the Act which will draw up standards is expected to be set up during the year 2007-08.